
Higher Education Fiscal 2019 Budget Overview

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

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Analysis of the FY 2019 Maryland Executive Budget, 2018

Higher Education

Fiscal 2019 Budget Overview

State Funding Changes for Higher Education (\$ in Thousands)

	<u>2017 Actual</u>	<u>2018 Working Adjusted¹</u>	<u>2019 Allowance³</u>	<u>2019 Adjusted²</u>	<u>2018 Adj.- 2019 Adj. Change</u>	<u>% Change</u>
Public Four-year Institutions						
University System of Maryland (USM)	\$1,325,338	\$1,337,731	\$1,381,254	\$1,392,560	\$54,829	4.1%
Morgan State University	93,203	93,661	96,653	97,463	3,802	4.1%
St. Mary's College of Maryland	25,160	24,535	25,888	26,145	1,610	6.6%
Subtotal – Public Four-year	\$1,443,701	\$1,455,928	\$1,503,795	\$1,516,169	\$60,241	4.1%
Other Higher Education						
Maryland Higher Education Commission						
Administration	\$9,345	\$6,539	\$6,281	\$6,316	-\$223	-3.4%
Financial Aid	106,179	108,482	110,872	110,872	2,390	2.2%
Educational Grants ³	1,129	1,470	1,460	1,460	-10	-0.6%
College Savings Plan Match ⁴		454	7,000	2,000	1,546	340.8%
Non-USM Regional Higher Education Centers ⁵	2,027	2,038	1,900	1,900	-138	-6.8%
Independent Institutions	46,817	48,909	56,273	48,909	0	0.0%
Aid to Community Colleges	313,512	317,710	322,389	322,389	4,679	1.5%
Baltimore City Community	40,064	39,431	40,650	39,799	367	0.9%
Subtotal – Other Higher Education	\$519,074	\$525,032	\$546,825	\$533,644	\$8,612	1.6%
Total Higher Education	\$1,962,775	\$1,980,960	\$2,050,620	\$2,049,813	\$68,854	3.5%

¹The 2018 adjusted is the 2018 working adjusted to reflect the across-the-board health insurance reduction and the reversion of College Saving Plan Match funds.

²The 2019 adjusted is the 2019 allowance adjusted to reflect contingent reductions and a cost-of-living adjustment.

³ The Maryland Higher Education Commission (MHEC) transferred grant funds for the University of Maryland, Baltimore Campus Wellmobile and the Office for Civil Rights (OCR) enhancement funds to Historically Black Colleges and Universities (HBCU) in fiscal 2017 and 2018; beginning in 2019, OCR funds are budgeted in the HBCUs base budgets.

⁴The 2018 adjusted reflects a reversion of \$4.5 million.

⁵MHEC transferred funds to administer the Waldorf Center to the University of Maryland University College in fiscal 2017 and 2018 by budget amendment. Funding for the Southern Maryland Higher Education Center in fiscal 2019 is transferred to the University System of Maryland Office.

Note: State funds include general funds, Higher Education Investment Funds, special funds supporting educational grants and financial aid programs, and reimbursable funds supporting financial aid programs.

Source: Department of Budget and Management; Department of Legislative Services

Operating Budget Recommended Actions

1. Adopt narrative requesting a report on financial aid and loan data by the Expected Family Contribution.
2. Adopt narrative requesting a report on faculty workload.

Budget Reconciliation and Financing Act Recommended Actions

1. The Department of Legislative Services recommends that the \$1.8 million in the Tuition Stabilization Trust either be transferred to the General Fund or to the Need-based Student Financial Assistance Fund in the Maryland Higher Education Commission.

Fiscal 2018 Actions

The September 2017 Board of Public Works action reduced the appropriation for higher education institutions by \$11.0 million, which included a \$2.1 million reduction to the Sellinger formula. For fiscal 2018, \$4.5 million of the College Savings Plan Match funds is reverted to the General Fund due to the program being undersubscribed. In addition, the Budget Reconciliation and Financing Act of 2018 (BRFA) includes a provision for the University System of Maryland (USM) to transfer \$9.0 million from fund balance to the General Fund. There is also a back of the budget bill reduction for health insurance totaling \$12.5 million for higher education institutions and the Maryland Higher Education Commission (MHEC).

Fiscal 2019 Allowance

State support for higher education grows \$68.9 million in fiscal 2019, or 3.5%, after accounting for across-the-board reductions and reversions in fiscal 2018 and a 2.0% general salary increase effective January 1, 2019, that is budgeted within the Department of Budget and Management.

The BRFA repeals mandated funding stipulated in Chapter 25 of 2016 requiring the Governor to provide a \$2.0 million increase to the University of Maryland, College Park Campus (UMCP) for continued funding of a research center and \$4.0 million to increase the funding attainment level of the University of Maryland Baltimore County. When accounting for the across-the-board reduction in fiscal 2018 and contingent reductions and the general salary increase in fiscal 2019, State funding for USM increases 4.1%, or \$54.8 million. The increase will support the costs associated with the opening of several academic facilities at various campuses and cyber and workforce development initiatives. Funding for Morgan State University (MSU) grows 4.1%, or \$3.8 million, of which \$2.0 million will fund a cybersecurity center. The allowance assumes in-state tuition at the public four-year institutions increases by 2.0%, the same increase as fiscal 2018.

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Funding for St. Mary's College of Maryland (SMCM) increases 6.6%, or \$1.6 million, due to implementation of a new enhanced formula established in Chapter 420 of 2017. The BRFA includes a provision to reduce funding of the Sellinger formula for independent institutions by \$7.4 million, resulting in level funding the formula. Another provision in the BRFA reduces formula funds for Baltimore City Community College by \$0.9 million. Funding for the State's locally operated community colleges grows \$4.7 million. The Cade formula is fully funded and includes \$2.0 million for a one-time supplemental grant for those institutions that limit tuition increases to no more than 2.0%.

The BRFA reduces from \$7.0 million to \$2.0 million funding stipulated in Chapter 689 of 2016 for the College Savings Plan Match Program. Funding for the non-USM regional higher education centers decreases \$0.5 million due to funding for the Southern Maryland Regional Higher Education Center being transferred to USM Office (USMO), although this action is contingent upon legislation merging the center with USM. Finally, funding for MHEC Administration decreases \$0.2 million.

Funding for the State's four-year public higher education institutions from fiscal 2015 to the fiscal 2019 adjusted allowance is shown in **Exhibit 1**. The State funds increase for fiscal 2019 is 4.2%, or \$59.5 million, higher than the adjusted fiscal 2018. USMO receives the largest increase of 41.8%, or \$11.2 million, due to funds for the computer science and workforce development initiatives being budgeted in the office. SMCM experiences the highest rate of growth for the public four-year institutions followed by UMCP at 6.6% and 5.2%, respectively.

Exhibit 1
State Support for Public Universities
Fiscal 2015-2019
(\$ in Thousands)

<u>Institution</u>	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Actual 2017</u>	<u>Adjusted Working 2018</u>	<u>Adjusted Allowance 2019</u>	<u>Annual % Change 2015-19</u>	<u>\$ Change 2018-19</u>	<u>% Change 2018-19</u>
Univ. of Maryland, Baltimore Campus	\$208,459	\$217,009	\$225,154	\$230,892	\$236,388	4.3%	\$5,496	2.4%
Univ. of Maryland, College Park Campus	428,018	446,755	466,337	464,379	488,519	4.5%	24,140	5.2%
Bowie State University	40,573	41,695	44,830	44,886	46,021	4.3%	1,135	2.5%
Towson University	102,987	110,088	117,803	118,781	120,511	5.4%	1,730	1.5%
Univ. of Maryland Eastern Shore	35,073	37,168	40,840	40,232	41,715	6.0%	1,483	3.7%
Frostburg State University	37,381	39,281	41,501	41,476	42,436	4.3%	960	2.3%
Coppin State University	42,320	44,755	47,320	46,938	47,324	3.8%	386	0.8%
University of Baltimore	33,434	35,023	37,317	37,139	37,957	4.3%	818	2.2%
Salisbury University	44,897	48,092	51,702	54,243	55,207	7.1%	965	1.8%
Univ. of Maryland Univ. College	38,694	39,459	41,835	43,295	43,428	3.9%	133	0.3%
Univ. of Maryland Baltimore County	108,123	112,365	118,331	122,168	127,545	5.7%	5,377	4.4%
Univ. of Maryland Center for Environmental Science	21,564	22,382	22,868	22,559	22,829	1.9%	270	1.2%
University System of Maryland Office	22,059	23,722	26,050	26,694	37,856	19.7%	11,162	41.8%
Morgan State University	84,198	86,135	93,203	93,661	97,463	5.0%	3,802	4.1%
St. Mary's College	20,722	25,107	25,160	24,535	26,145	8.1%	1,610	6.6%
Total Funding for Public Four-Year Institutions	\$1,268,500	\$1,329,035	\$1,400,251	\$1,411,880	\$1,471,345	5.1%	\$59,466	4.2%
Total with Other Higher Education Funding*	\$1,308,353	\$1,368,565	\$1,443,701	\$1,455,928	\$1,516,169	5.0%	\$60,241	4.1%

* Other Higher Education Funding includes funding for agricultural extension and experimental station programs.

Note: In fiscal 2017 and 2018, the Office for Civil Rights (OCR) enhancement funds were transferred to the Historically Black Colleges and Universities by budget amendment. For fiscal 2019, these funds are included in the institutions' base budgets. Fiscal 2015 and 2016 actuals do not reflect OCR funds in the institutions' budgets.

Source: Governor's Budget Books, Fiscal 2015-2019; Department of Legislative Services

Higher Education Investment Fund Revenues

The Higher Education Investment Fund (HEIF), which was created in the special session of 2007, receives 6% of corporate income tax revenues, most recently estimated as \$63.8 million in fiscal 2018 and \$67.0 million in fiscal 2019. The HEIF provided a fairly reliable source of funding for higher education institutions from fiscal 2009 through 2013, during which it accrued a fund balance as the economy began to improve, and corporate tax revenues started to exceed projections. However, in fiscal 2014, revenues underattained by about \$10.0 million, wiping out the HEIF fund balance and requiring mid-year HEIF reductions to institutions. Revenues were stable from fiscal 2015 to 2017, leading to a small fund balance of \$1.8 million at the close of fiscal 2017.

A portion of the fiscal 2017 HEIF surplus, \$1.5 million, was transferred to the Tuition Stabilization Trust (TST), an account within the HEIF, bringing the total to \$1.8 million. It should be noted that the last transfer of \$100,000 was made in fiscal 2013. The TST was created by Chapters 192 and 193 of 2010 and is intended to increase the predictability of tuition increases at State institutions by accumulating a reserve of funds to offset significant tuition increases, such as in fiscal 2003, 2006, and at some institutions, in fiscal 2015. The statute requires that the TST maintain a balance of 1% to 5% of undergraduate tuition revenues, which in fiscal 2017 would total \$17.2 million to \$86.0 million. Generally, HEIF surpluses have been used in lieu of general funds resulting in only three transfers being made to the TST with the total far below the 1% of undergraduate tuition revenues. The Department of Legislative Services (DLS) notes that eight years after the creation of fund, the TST does not contain adequate revenue to offset even 1 percentage point of a tuition increase. **DLS recommends that the \$1.8 million in the TST either be transferred to the General Fund or to the Need-based Student Financial Assistance Fund in MHEC.**

The TST legislation also set a goal that tuition increases not exceed the three-year rolling average increase in State median family income, which according to the most recent data was 3%. The public-four year institutions increased tuition 2% in fall 2017, and a 2% increase is proposed in the allowance for fall 2018.

Exhibit 2 shows the current forecast for the HEIF from estimates made in December of each year by the Board of Revenue Estimates (BRE). Historically, the corporate income tax, the basis for the HEIF, has been more volatile than the personal income tax. The December 2016 forecast projected fiscal 2018 HEIF revenue to be \$6.3 million below expectations from December 2015. The December 2017 BRE projects HEIF revenues to slightly exceed the prior year projections in fiscal 2018 and in the out-years. Projected fiscal 2019 revenue exceeds the estimate from one year ago by \$0.9 million. BRE will next provide an update on State revenues, including the HEIF, in March 2018.

Exhibit 2
Higher Education Investment Fund Forecast
Fiscal 2015-2023
(\$ in Millions)

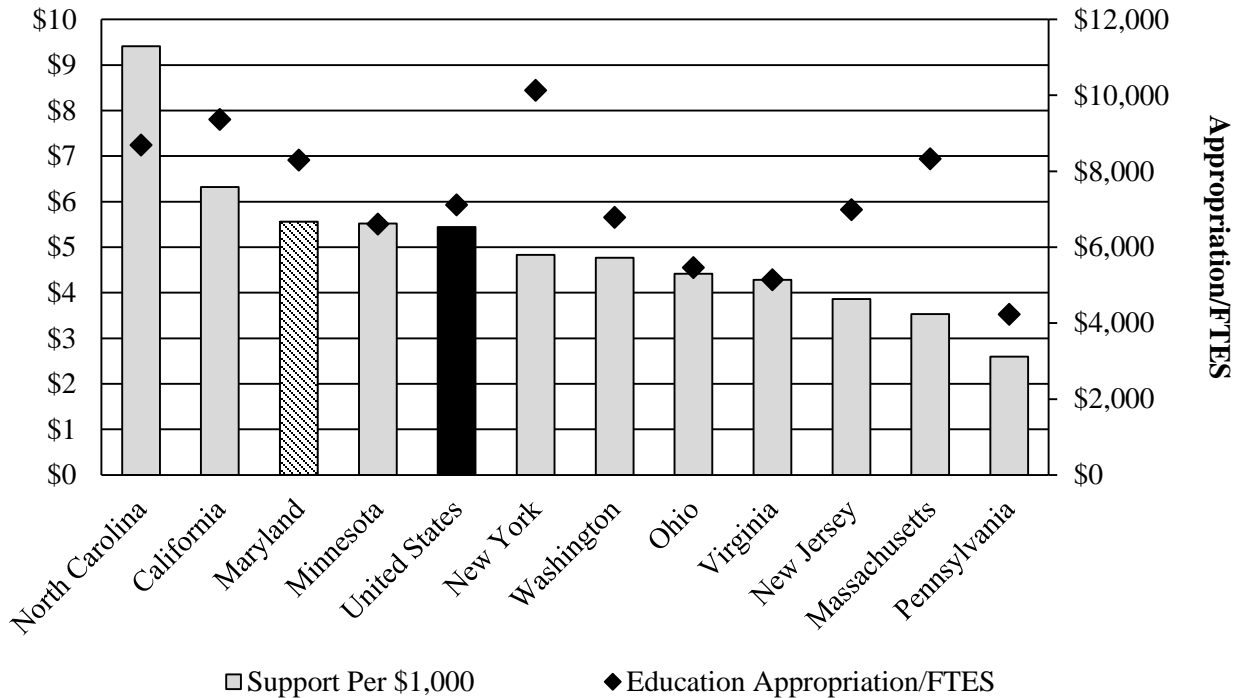
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
December 2012	\$67.4	\$69.4	\$71.5	\$73.7					
December 2013	60.7	63.7	67.9	69.8	\$72.8				
December 2014	59.5	63.7	66.6	68.9	71.2	\$74.0			
December 2015		64.4	66.2	69.0	72.0	74.5	\$77.2		
December 2016			58.3	62.7	66.1	68.9	71.7	\$74.6	
December 2017				63.8	67.0	69.1	73.3	76.8	\$80.4
Difference – 2016 and 2017				\$1.1	\$0.9	\$0.2	\$1.6	\$2.2	n/a

Source: Department of Legislative Services

Comparing Funding of Higher Education

States' decisions on how to fund higher education are based on numerous factors, and while there are no standards to evaluate the appropriate level of funding, comparative information can help to inform decisions. State support for higher education on a per \$1,000 in personal income basis shows the relative investment made by states, but this does not necessarily indicate a state's budget priority. **Exhibit 3** compares Maryland support for higher education to the 10 states Maryland principally competes with for employers – California, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Pennsylvania, Ohio, Virginia, and Washington. Support for higher education ranges from \$9.41 in North Carolina to \$2.60 in Pennsylvania. Overall, at \$5.56, Maryland's support for higher education exceeds some of the wealthier competitor states and the national average of \$5.44. However, a high level of support per \$1,000 in personal income does not necessarily equate to higher spending per full-time equivalent student (FTES) for enrollment in varies among states. As also shown in the exhibit, while New York spends less than Maryland on an income basis, on a per FTES basis, it outspends the other states at \$10,130 per FTES. While Massachusetts' income ratio of \$3.53 is below the other states, its state appropriations per FTES of \$8,329 slightly exceeds Maryland at \$8,291 per FTES.

Exhibit 3
State Support Per \$1,000 in Personal Income and
State Appropriations Per Full-time Equivalent Enrollment
Fiscal 2016

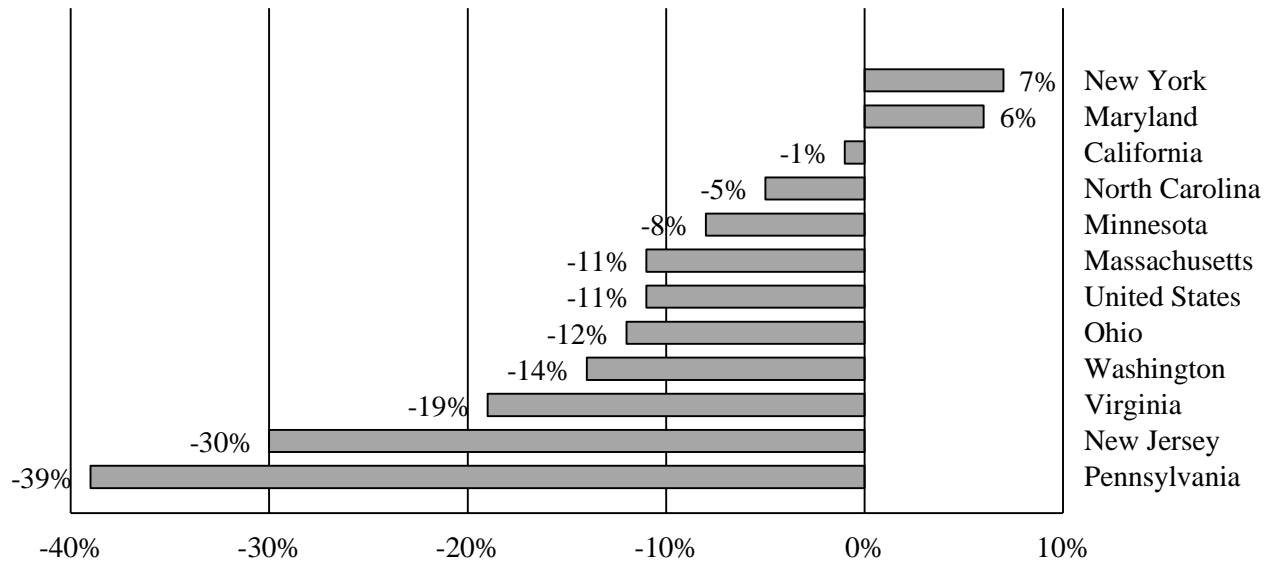


FTES: full-time equivalent student

Source: Grapevine Summary Tables, State Higher Education Executive Officers Association

Nationally, from fiscal 2006 and 2016, state funding per FTES, on average, declined 11% (adjusted for inflation), as shown in **Exhibit 4**. This is unsurprising considering, in general, state spending on higher education remains below prerecession levels. Overall, only seven states did not experience a decline, including New York and Maryland, in which funding increased 7% and 6%, respectively. According to the College Board, most states that experienced an increase in student funding over the past 10 years experienced below average enrollment growth, but Maryland and New York had above average growth along with an increase in per student funding. Among the competitor states, Pennsylvania and New Jersey showed the largest decline in state funding per FTES, 39% and 30%, respectively. The College Board notes that even though Pennsylvania experienced modest enrollment, growth funding declined over the decade.

Exhibit 4
10-year Percentage Change in State Funding Per FTES
Fiscal 2006 and 2016



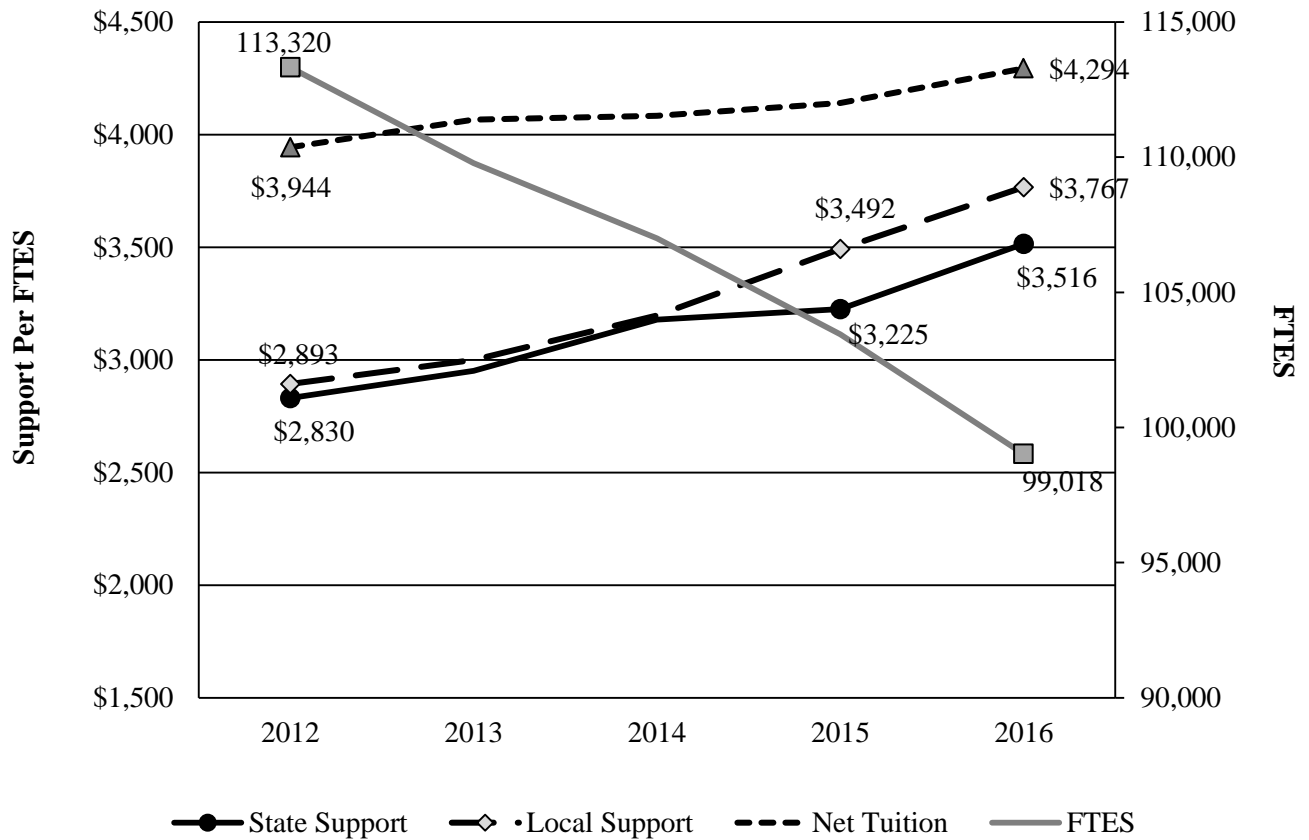
FTES: full-time equivalent student

Source: The College Board, Trends in College Pricing

State Funding by Segment

Exhibit 5 shows the source of funding per FTES for Maryland's two-year public institutions. State and local support were nearly equivalent from fiscal 2012 to 2014. State funding per FTES remained fairly flat in fiscal 2015 due to cost containment measures but increased 9.0% in fiscal 2016. During this time, local support grew 9.2%, exceeding State support by \$251 per FTES by fiscal 2016. The growth in State and local funding of 24.2% and 33.1%, respectively, between fiscal 2012 and 2016 is mainly due to enrollment falling 12.6%. Tuition increases resulted in revenue per FTES increasing 8.9% during this time period.

Exhibit 5
State and Local Support and Net Tuition Per FTES for
Maryland's Two-year Public Institutions
Fiscal 2012-2016



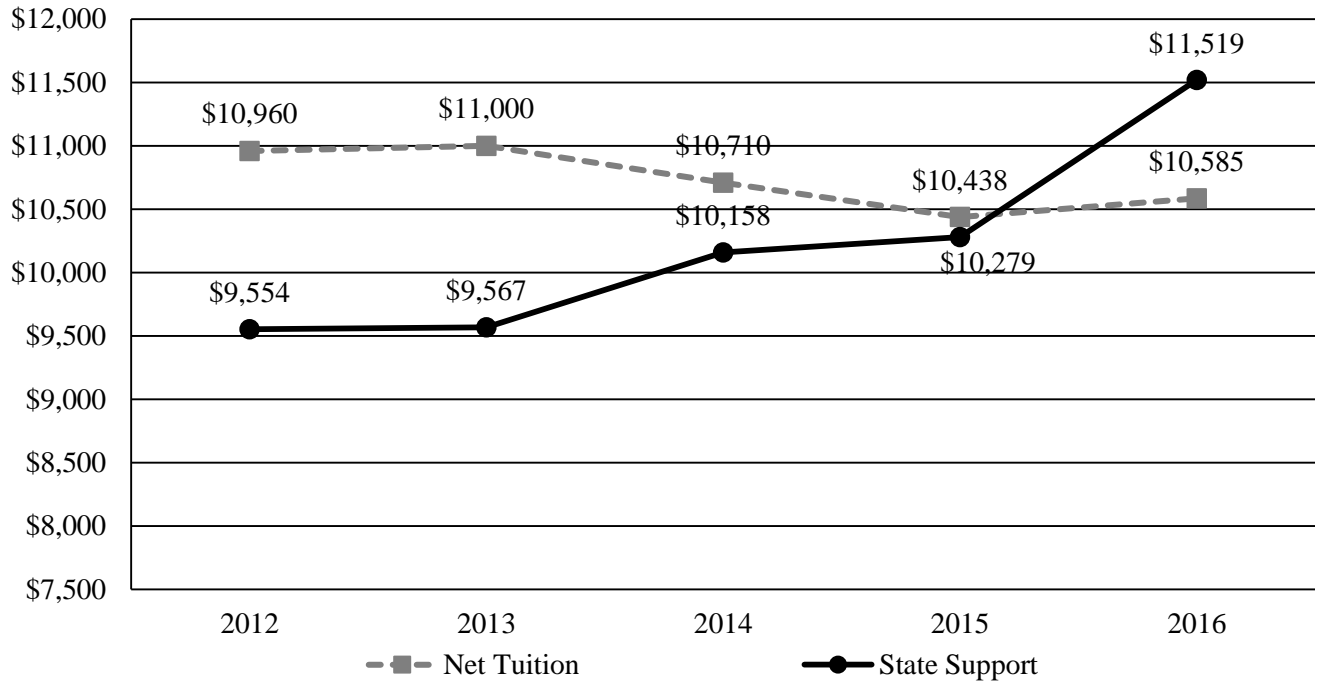
FTES: full-time equivalent student

Note: Net tuition excludes State financial aid, institutional discounts, and waivers.

Source: State Higher Education Finance: Fiscal 2016, State Higher Education Executive Officers Association

Net tuition per FTES exceeded State funding at Maryland's public four-year institutions from fiscal 2012 to 2015, as shown in **Exhibit 6**. The 5.1% decline in tuition per FTES from fiscal 2013 to 2015 can be attributed to moderate tuition increases coupled with declining or low enrollment growth, particularly at University Maryland University College (UMUC). Tuition per FTES increased to \$10,585 per FTES in fiscal 2016, below the high point of \$11,000 in fiscal 2013. After remaining relatively flat in fiscal 2015 due to cost containment measures, State funding per FTES spiked 12.1%, or \$1,240 per FTES, in fiscal 2016 exceeding tuition by \$934 FTES. Overall, State funding increased 20.6% from fiscal 2012 to 2016.

Exhibit 6
State Support and Net Tuition Per FTES for Four-year Public Institutions
Fiscal 2012-2016



FTES: full-time equivalent student

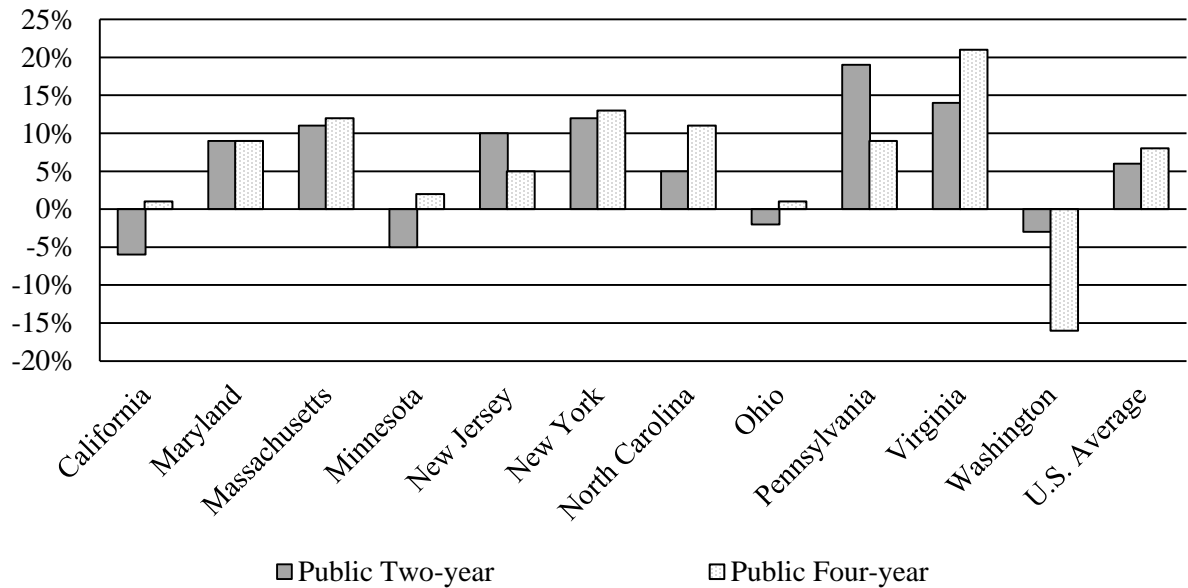
Note: Net tuition excludes State financial aid, institutional discounts, and waivers. Decline in 2014 enrollment can be attributed to decline in the University of Maryland University College's enrollment. Numbers are adjusted for inflation.

Source: State Higher Education Finance: Fiscal 2016, State Higher Education Executive Officers Association

Tuition and Fees

Exhibit 7 shows the percentage change in the in-state tuition and fees at Maryland's and its competitor states' two- and four-year institutions. Nationally, the average tuition and fees at two-year institutions declined in six states of which four are competitor states – California, Minnesota, Ohio, and Washington. Except for California, the average tuition and fee rate in Maryland and its competitor states exceeded the national average by at least \$800. While the rates at Maryland's two-year institutions grew 9%, above the national average of 6%, it is lower than the increases at five of the competitor states. According to the College Board, for academic year 2017-2018, the average rate for Maryland was \$4,540, making it the thirty-second (excluding Alaska) most expensive in the country with six competitor states having higher rates.

Exhibit 7
Five-year Percentage Change for In-State Tuition and Fees at
Two- and Four-year Public Institutions
Fiscal 2013-2018



Note: Tuition and fees are adjusted for inflation. The average tuition and fee rates are weighted by full-time enrollment.

Source: The College Board, Annual Survey of Colleges

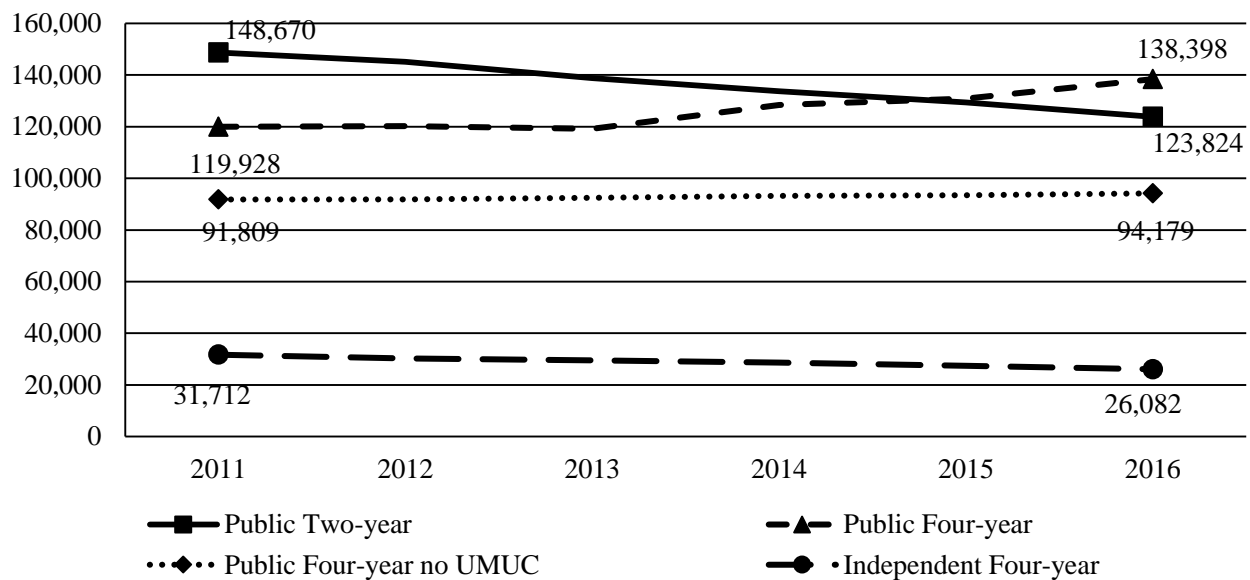
Over the past five years, the average tuition and fees at public four-year institutions increased in all competitor states except Washington, where rates decreased 16%. Maryland's rates increased 9%, slightly above the national average of 8%. According to the College Board, when compared to all states, at \$9,580, Maryland has the twenty-fifth most expensive rate in the country. This is below the national average of \$9,970 and that of three competitor states – North Carolina, New York, and Washington. **Appendix 6** and **Appendix 7** show the tuition and fee rates at Maryland's public two- and four-year institutions.

Undergraduate Enrollment

Total undergraduate enrollment at Maryland's public two- and four-year public and independent institutions increased by 0.2% in fall 2016. As shown in **Exhibit 8**, enrollment fell 4.8% and 4.3% at the four-year independent and two-year institutions, respectively. These declines, which totaled 6,909 students, were offset by 7,536 students, or a 5.8% growth at the four-year public institutions, primarily driven by an enrollment increase of 6,864 students at UMUC. Nationally,

according to the National Student Clearinghouse (NSC), total enrollment declined 1.4% in fall 2016 with all segments experiencing declines. Enrollment at the nation’s public two- and four-year institutions decreased 2.6% and 0.2%, respectively. It should be noted that the increase at the public four-year institutions in fall 2014 was due to a change in federal reporting requirements for UMUC in which all students are now included in its stateside student count.

Exhibit 8
Maryland Total Undergraduate Headcount Enrollment by Segment
Fiscal 2011-2016



UMUC: University of Maryland University College

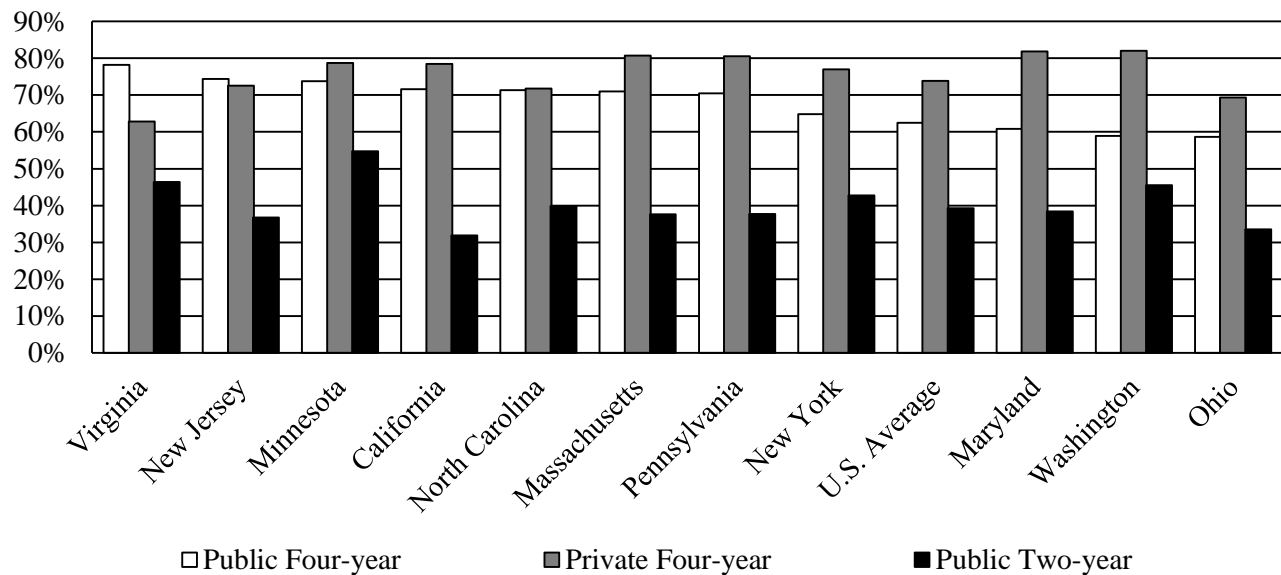
Source: Maryland Higher Education Commission

Productivity Measures

Graduation rates are one metric used to gauge an institution’s performance. Specifically, they measure student persistence and success in completing a degree. Traditional graduation rates only measure the progress of first-time, full-time cohorts – those students enrolled at an institution at the start of the academic year and continuously enrolled as full-time students until graduation. However, today most students are neither exclusively full- or part-time but rather change their enrollment status over the course of their college career. In addition, according to NSC, two-thirds of all bachelor’s degree graduates and about half of those who earned an associate’s degree attended more than one institution. Therefore, NSC tracks the completion rate of all students six years after they enter college.

Exhibit 9 shows the six-year completion rates of all students who enrolled in an institution in fall 2010 across the three sectors in Maryland and the competitor states. Maryland’s private institutions, many of whom are nonprofit institutions represented by the Maryland Independent College and University Association, graduate students at among the highest rates in the country. The completion rates of Maryland’s public four-year institutions of 60.8% falls below the national average of 62.4% and, of the competitor states, only exceeds Ohio and Washington. The traditional six-year graduation rates, as reported by MHEC, are shown by institution in **Appendix 8**. Maryland’s two-year institutions completion rate of 38.5% is 0.8 percentage points below the national average and is in the middle of the pack among the competitor states.

Exhibit 9
Comparison of Six-year Outcomes for All Students at
Two- and Four-year Institutions
Fall 2010 Cohort



Note: All students include first-time, full-time; part-time; and mixed enrollment (students whose enrollment status changed from full- to part-time or vice versa.)

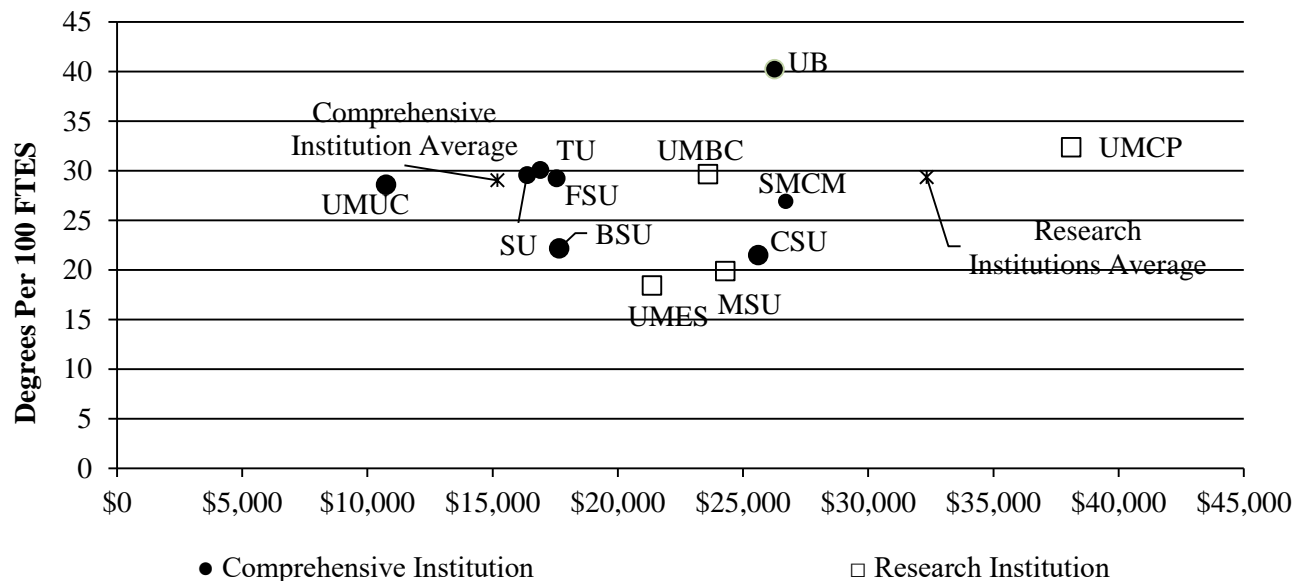
Source: National Student Clearinghouse

Efficiency Measure

An indicator of an institution’s efficiency is the amount spent to produce a degree. **Exhibit 10** shows the Education and General (E&G) expenditures per FTES and degrees awarded per 100 FTES for each public four-year institution in fiscal 2017. It should be noted that the exhibit shows the cost

to produce all degrees, undergraduate and graduate, at an institution (data for undergraduate expenses is not available). Institutions in the upper left quadrant of the exhibit spent less to produce a degree than those in the lower right quadrant. Compared to the other Maryland institutions, UMUC is relatively efficient in producing degrees because it is mainly an online university and does not have the same costs as a residential campus. In terms of residential campuses, Towson University is the most efficient, producing 30.1 degrees per FTES with E&G expenditures of \$16,896 per 100 FTES. While the University of Maryland Eastern Shore (UMES) produces less degrees than MSU, 18.4 and 19.9 degrees, respectively, the cost of a degree is \$2,926 less than at MSU. The University of Baltimore's (UB) high production of degrees can be attributed to it being a nontraditional campus with most students enrolled in upper level undergraduate or graduate courses. While UMCP appears to be the least efficient at producing degrees, the higher cost is related to its land grant mission and classification as a very high research activity institution. As such, UMCP has many high-cost programs such as engineering; business; and many science, technology, engineering, and mathematics programs. In addition, as previously noted, this measure includes the production of all degrees, and UMCP's graduate research program adds to the cost of a degree.

Exhibit 10
E&G Expenditures Per FTES and Degrees Awarded Per 100 FTES
Fiscal 2017



BSU: Bowie State University
 CSU: Coppin State University
 E&G: Education and General
 FSU: Frostburg State University
 FTES: full-time equivalent student
 MSU: Morgan State University
 SMCM: St. Mary's College of Maryland

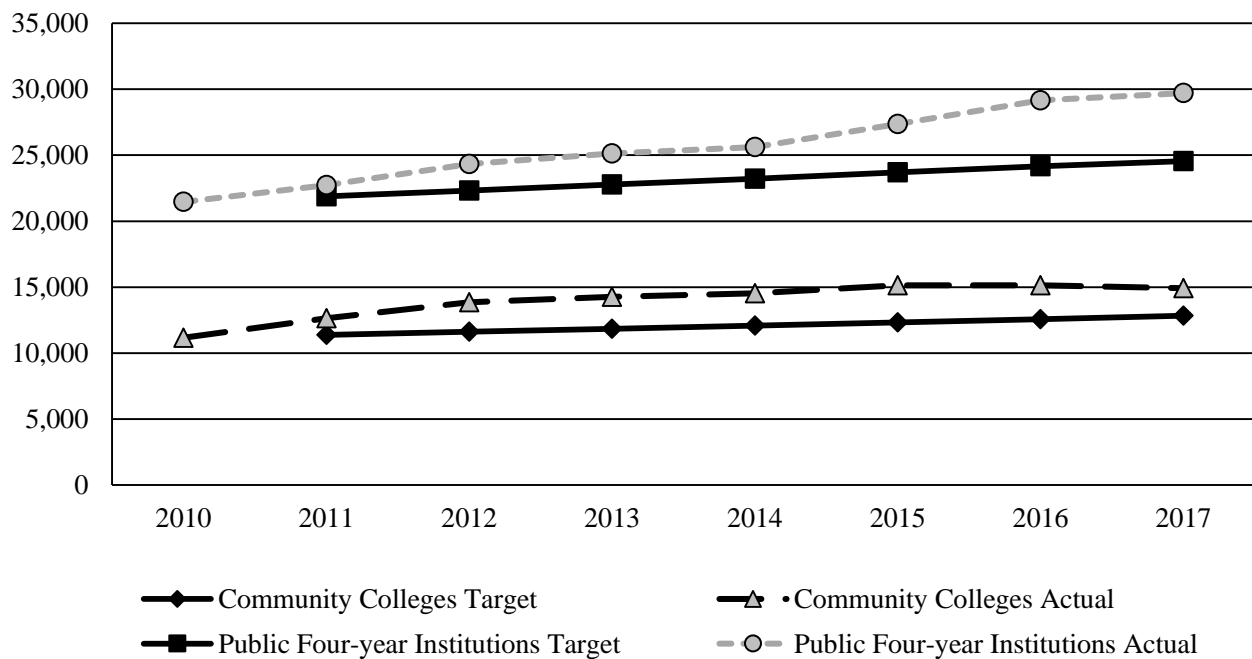
SU: Salisbury University
 TU: Towson University
 UB: University of Baltimore
 UMBC: University of Maryland Baltimore County
 UMCP: University of Maryland, College Park Campus
 UMES: University of Maryland Eastern Shore
 UMUC: University of Maryland University College

Source: Department of Budget and Management; Department of Legislative Services

Progress Toward 55% Degree Attainment

To maintain a competitive and productive workforce, Maryland has a college completion agenda that at least 55.0% of adults 25 to 64 years old will hold at least one degree credential by 2025. MHEC estimates a total of 1.8 million Marylanders would have to possess degrees to meet this goal, meaning the State needed an additional 0.9 million degree holders between 2010 (the base year) and 2025, including degree holders who migrate to the State. MHEC provided an update on the State's progress in December 2017 through a *Joint Chairmen's Report* (JCR). After factoring in migration and mortality rates, MHEC's model determined that this goal can be reached if the public sector annually increases degree production by 2.0% and the private sector by 1.7%. As shown in **Exhibit 11**, community colleges and the public four-year institutions have surpassed their respective targets. However, it should be noted that starting in fiscal 2015, the number of degrees awarded by public four-year institutions are overstated due to a change in reporting requirements for UMUC in which all overseas students are now included in the total number of degrees.

Exhibit 11
55% Degree Attainment Goals by Public Segments
Fiscal 2010-2017



Note: Due to a change in federal reporting, starting in fiscal 2014, the University of Maryland University College (UMUC) includes associate and bachelor's degrees conferred to all students – stateside and overseas – thereby overstating the number of degrees awarded. UMUC numbers also include associate's degrees.

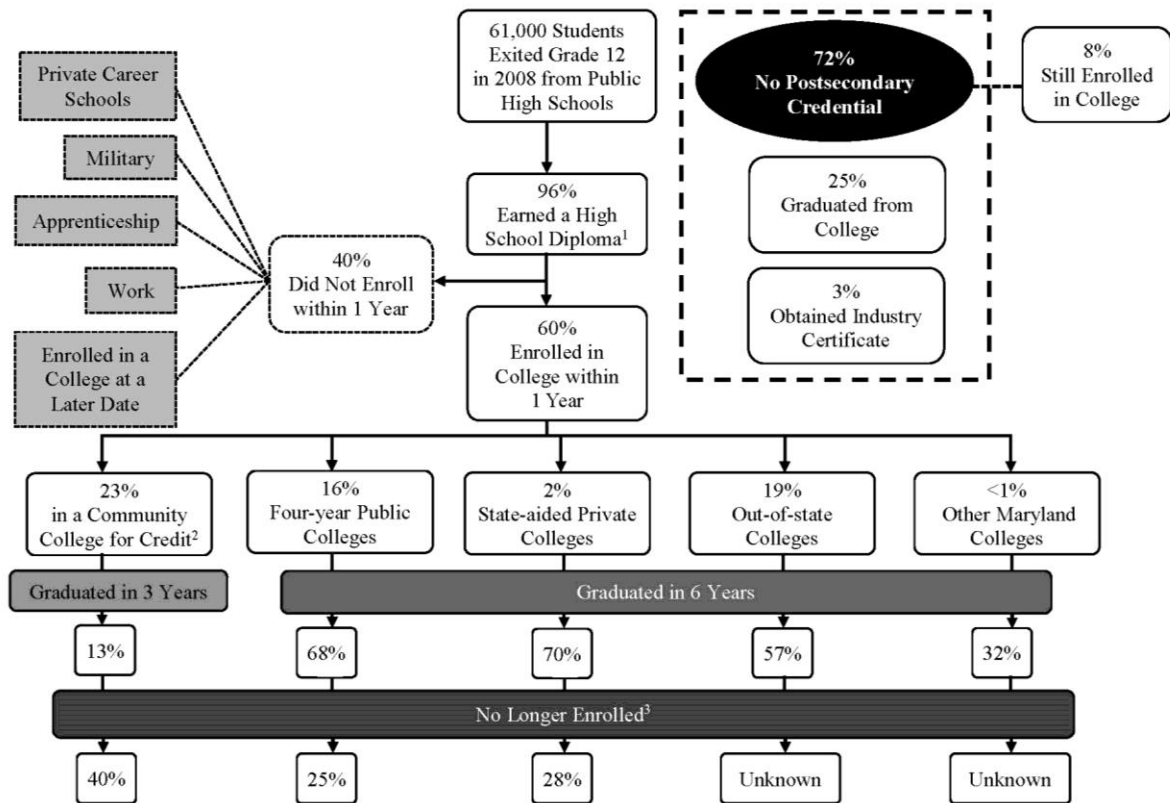
Source: Maryland Higher Education Commission

MHEC re-examined the model that sets the State’s and institution’s target in 2017. MHEC stated some adjustments to the model might be needed due to lower migration of degree holders, a slight decrease in the population estimates, and counting the number of degrees awarded by institution rather than by individual degree recipient. However, MHEC concluded that the “slight shift in population would mitigate any losses caused by the altered migration figure and adjustment for possible degree recipient duplication” and, therefore, retained the original target of 1.8 million Marylanders needing to possess a degree to meet the 55% goal.

Postsecondary Pipeline

To meet its 55% degree attainment goal, Maryland needs to improve student progression from high school into postsecondary education and eventually completion. In addition to the 55% goal, Maryland also has a goal that 5% of adults will have a “certificate of value” (a certificate that leads to employment) by 2025. The postsecondary pipeline highlights the relative strengths and weaknesses at each stage of transition indicating where the State should focus its policies in order to improve outcomes. **Exhibit 12** illustrates the progression of the students who exited grade 12 from a Maryland public high school in 2008. The first leak in the pipeline is the 40% of students who decided not to pursue postsecondary education including for-credit certificates or certifications at a public institution within the first year of receiving a high school diploma. It is not clear what happened to these students or whether they may have pursued other options such as joining the workforce, military, or apprenticeship. These students may not have even considered attending college for a variety of reasons including cost, preparation, or family expectations. It should be noted a small percentage of these students may enroll in college two or more years after graduating from high school.

Exhibit 12 Postsecondary Pipeline Six Years After Exiting Grade 12 from a Maryland Public High School



¹ Based on the 2008 cohort of grade 12.

² Includes students enrolled in for-credit certification course.

³ Data reflects students not enrolled at the institution that they first enrolled; does not include students who may have enrolled and graduated from another institution.

Source: Maryland Longitudinal Data System; National Center for Education and Economy

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Of the 2008 cohort, 41% attended a Maryland institution, while 19% went out of state to attend college. The graduation rates of the students in the various segments are shown in Exhibit 12. Overall, of the 60% of the students who enrolled in college within a year of graduating high school, only 44% will earn a degree six years after leaving high school. This indicates that there is much room for improvement at the institutional level to improve student success to earn a degree. The first and largest issue to address is that only 28% of the 2008 cohort has any postsecondary credential or certificate, meaning 72% do not have any credential. However, 8% are still enrolled in college, and others may enroll at a later date and obtained certification or some college credit. Overall, the leakage in the student pipeline occurs at all levels from high school to postsecondary education and will take all segments working together to improve student outcomes to help more students obtain a credential or certification.

Issues

1. Revised Funding Guidelines

In September 1999, MHEC adopted guidelines for operating funding guidelines for the public four-year higher education institutions excluding SMCM, which receives funding through a statutory formula. The guidelines, first used in fiscal 2001, are a peer-based model used to inform the budget process by providing a funding standard and a basis for comparison. In order to calculate the funding attainment level, MHEC identified peer institutions across the country that were similar to the Maryland institution based on size, program and enrollment mix, and other attributes. The financial characteristics of the identified peer institutions were analyzed to determine the resources available per FTES with a goal to fund Maryland's institutions at the seventy-fifth percentile of their current peers.

The guideline for each institution is calculated by first summing the State appropriation and tuition and fee revenue per FTES of the peer institutions. This per student amount is then multiplied by the projected enrollment of the institution. The projected tuition and fee revenue is then subtracted resulting in the recommended State investment.

The 2008 report of the Commission to Develop the Maryland Model for Funding Higher Education included a recommendation to revise the funding guidelines to only include comparable peer institutions from Maryland's competitor states – those states in which Maryland principally competes for employers. In April 2014, MHEC adopted the competitor state funding guideline model in which only an institution's Carnegie classification was used to identify peers with no consideration given to other institutional characteristics such as size or student and program mix. As a result, all institutions in the competitor states with the same classification as the Maryland institution were included in the group of funding peers leading to six institutions having over 60 peers. In addition, USM institutions within the same Carnegie classification – Bowie State University, Frostburg State University, UB, Salisbury University, and UMUC – had the same funding peers despite having very different student and program mixes.

The use of only using an institution's Carnegie classification to determine its peers dilutes the purpose of the guidelines and does not allow for an accurate comparison of how Maryland funds its institutions compared to those in competitor states. Therefore, the 2017 JCR requested MHEC to revise the funding peer institutions for each public four-year institution to include only those institutions in competitor states with comparable attributes to the "home" Maryland institution. In October 2017, MHEC submitted a report on the revised comparable funding peers. MHEC reviewed the model used prior to 2015 and determined the attributes used to select peer institutions (*i.e.*, enrollment, program and student mix, and operating revenues), were still valid, providing an institutional profile needed to select institutions that reflect important characteristics of the home institution. In addition, MHEC indicated it will, in conjunction with the Department of Commerce, periodically review the competitor states to determine if states should be included or removed from the list. **Exhibit 13** shows the attainment level by institution using only the Carnegie classification to identify peers (fiscal 2018) and using the revised methodology (fiscal 2019). The State's attainment level declines from 73% in fiscal 2018 to 68% in fiscal 2019, which uses comparable peer institutions. Overall, the attainment

level for all institutions declines under the new methodology except for UMES, which has experienced declining enrollment over the past two years.

Exhibit 13
Funding Guideline Attainment Levels
Fiscal 2018-2019
(\$ in Thousands)

	Fiscal 2018			Revised Peers Estimated Fiscal 2019		
	<u>Funding Guideline</u>	<u>Working Approp</u>	<u>Attainment</u>	<u>Funding Guideline</u>	<u>Allow.</u>	<u>Est. Attainment</u>
Bowie State University	\$47,689	\$43,978	92%	\$62,290	\$45,585	73%
Coppin State University	33,904	46,476	137%	37,201	47,005	126%
Frostburg State University	49,768	41,809	84%	60,982	41,999	69%
Salisbury University	67,907	54,719	81%	82,896	54,519	66%
Towson University	179,289	119,725	67%	194,425	118,940	61%
University of Baltimore	55,640	37,404	67%	57,183	37,330	65%
UM, Baltimore Campus	314,852	233,038	74%	323,723	233,371	72%
UM Baltimore County	200,414	122,998	61%	211,944	130,125	61%
UM Center for Environmental Science	30,776	22,682	74%	32,225	22,668	70%
UM, College Park Campus	648,981	511,308	79%	681,110	525,181	77%
UM Eastern Shore	63,949	40,429	63%	55,432	43,700	79%
UM University College ¹	180,889	43,319	24%	259,733	43,116	17%
USM Office		26,748			37,714	
USM Total	\$1,874,057	\$1,344,632	72%	\$2,059,145	\$1,381,254	67%
Morgan State University	\$103,160	\$92,552	90%	\$126,048	\$96,653	77%
Total	\$1,977,218	\$1,437,183	73%	\$2,185,193	\$1,477,907	68%

UM: University of Maryland

USM: University System of Maryland

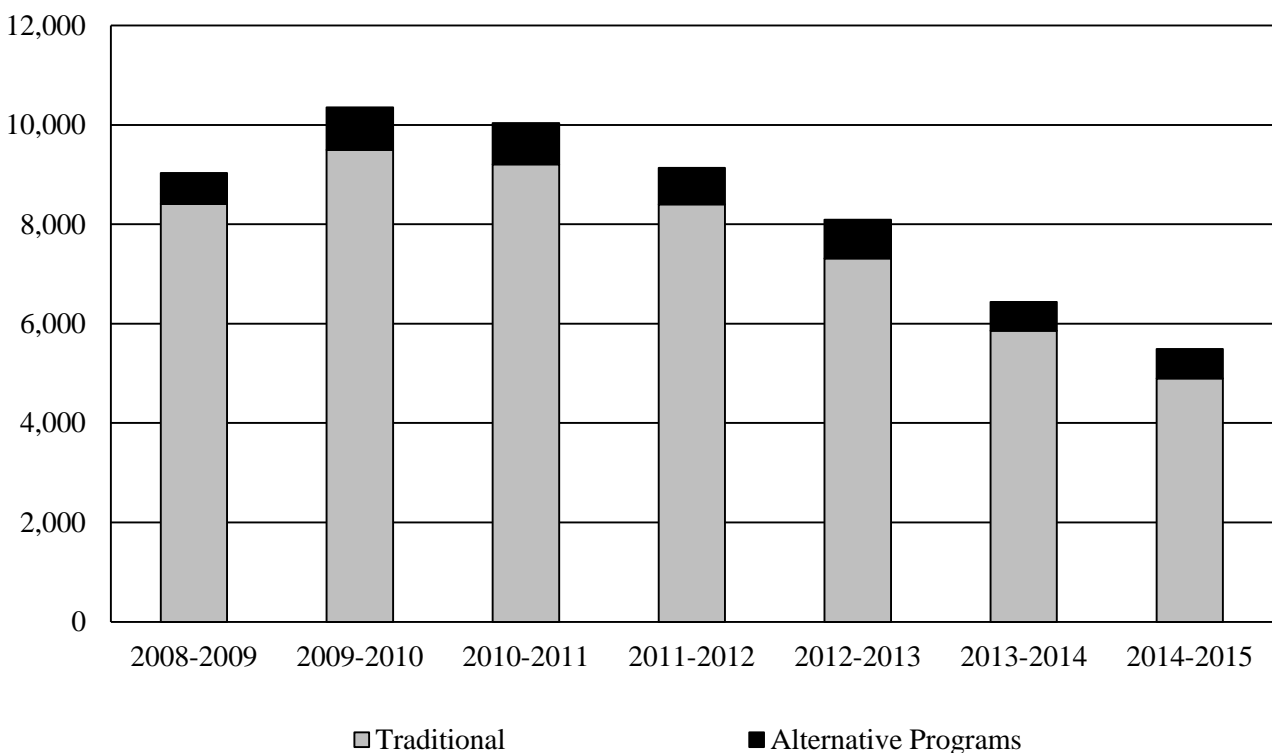
¹University of Maryland University College full-time equivalent enrollment reduced for non-Maryland online enrollments and tuition revenue reflects statewide revenue only discounted by non-Maryland online tuition.

Source: Maryland Higher Education Commission

2. Improving Teacher Preparation Programs

There have been concerns about teacher preparation programs not only producing a sufficient number of teachers to meet demand but also providing high-quality teachers who have the skill set needed to improve student outcomes. Enrollment in Maryland's teacher preparation programs has fallen 47.0%, or 4,863 students, between academic years 2008-2009 and 2014-2015, as shown in **Exhibit 14**. This mirrors a national trend in which enrollment in teacher programs across the country fell 42.3%. The largest enrollment decline in Maryland occurred in academic year 2012-2013 and 2013-2014 with the loss of 1,041 and 1,657 students, respectively.

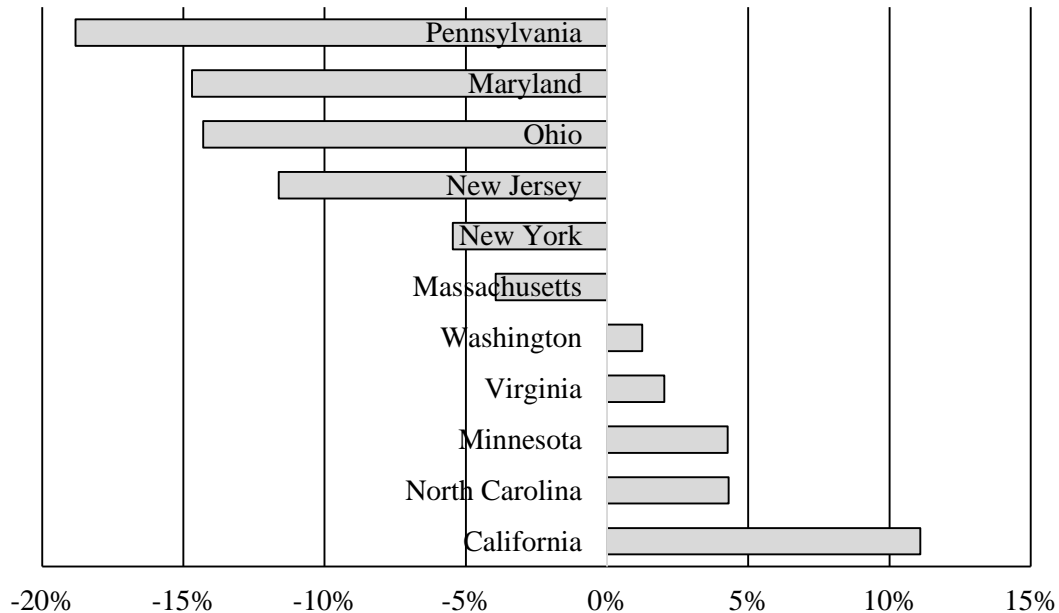
Exhibit 14
Total Enrollment in Maryland's Teacher Preparation Programs
Academic Year 2008-2009 to 2014-2015



Source: Secretary's Report; Title II Reports; U.S. Department of Education

Nationally, between academic year 2013-2014 and 2014-2015, enrollment declined 8.1%. In the same period, Maryland experienced a 14.7% drop in enrollment. When comparing Maryland to its competitor states, five saw enrollment in its teacher preparation programs increase with California experiencing the greatest increase of 11.1%, as illustrated in **Exhibit 15**. At 18.8%, Pennsylvania experienced the largest enrollment decline.

Exhibit 15
Percentage Change in Teacher Preparation Program Enrollment
Academic Year 2013-2014 and 2014-2015

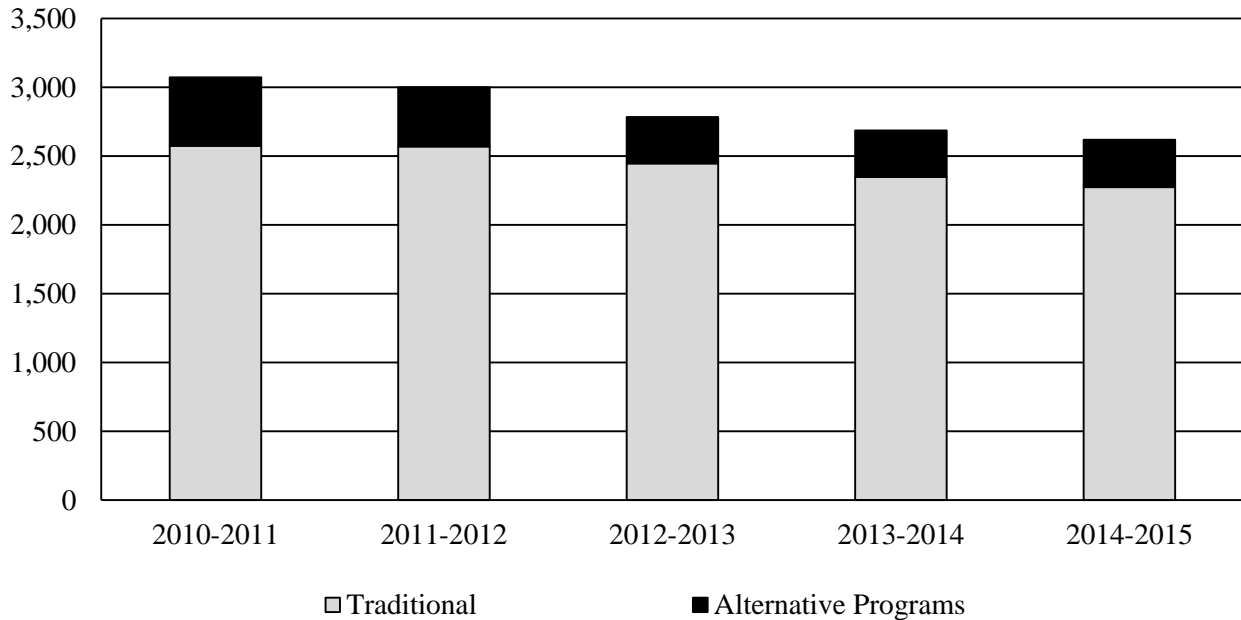


Note: Enrollment of students in all teacher preparation programs including traditional and alternative programs.

Source: Secretary's Report, 2013-2014 and 2014-2015 Title II Report, U.S. Department of Education

Overall, as shown in **Exhibit 16**, the number of students completing a Maryland program dropped 14.8% from academic year 2010-2011 to 2014-2015. The largest decline occurred in academic year 2012-2013 in which the number of completers decreased by 215 students. However, the rate of decline has slowed over the past two years with the number of completers decreasing by a total of 166 students.

Exhibit 16
Total Maryland Completers of Teacher Preparation Programs
Academic Year 2010-2011 to 2014-2015



Note: A completer is a person who has met all the requirements of a State-supported teacher preparation program including traditional and alternative programs. Traditional providers typically offer an undergraduate teaching degree, while alternative programs provide a different route to teaching credentials.

Source: Secretary's Report, Title II Reports, U.S. Department of Education

Quality of Maryland Programs

In 2017, the National Council on Teacher Quality (NCTQ) released the State Teacher Policy Year Book, which evaluates states against nine policy goals that support teacher quality including general, element, and secondary teacher preparation programs; hiring; teacher compensation; and retaining effective teachers. Maryland received an overall grade of D+ with a D+ in general teacher preparation, F in elementary teacher preparation, and C- in secondary and special education teacher preparation.

Recommendations to Teacher Preparation Programs

In response to these concerns, the Teacher Induction, Retention, and Advancement Act of 2016 required the Maryland State Department of Education (MSDE) to convene a workgroup to determine effective recruitment, retention, and the promotion of quality teachers at all levels of education. The

workgroup convened in 2016 and was comprised of representatives from primary and secondary education, higher education, and education policy experts. The workgroup issued its final report in November 2017. Recommendations were grouped into one of four categories: (1) certification of Maryland teachers; (2) financial incentives for the recruitment and retention of teachers; (3) mentoring and professional development of current educators; and (4) standards and accountability of educator preparation programs (EPP) in Maryland. One of the policy focuses of the Commission on Innovation and Excellence in Education is teacher quality, and it is developing preliminary recommendations to improve teacher preparation programs.

In regard to strengthening Maryland's EPPs, several recommendations were made to increase standards and accountability for programs. These are related to seeking the adoption of the Maryland Educator Preparation Standards to replace the Institutional Performance Criteria as the framework for all State-approved EPP. Changes related to adoption of the standards include:

- requiring EPPs to submit content (*e.g.*, English and math) curricula to MDSE to review for alignment with the Maryland College and Career Ready Standards (MCCRS);
- assuring each candidate completes 12 hours of mathematics aligned to the MCCRS and 12 hours of science aligned to the Next Generation Science Standards;
- providing and maintaining evidence that each cohort of certification eligible completers has earned an overall GPA of 3.0 or better;
- requiring candidates placed in field and clinical experiences to demonstrate competencies framed by the Interstate Teacher Assessment and Support Consortium (InTASC) Standards. Model core teaching standards developed by InTASC outline what all teachers across all content and grade levels should know and be able to do to ensure every student reaches the goal of being college or workforce ready;
- ensuring candidates in all programs have direct classroom experience with a diverse preK-12 student population, have instruction in cultural competency and restorative practices, and demonstrate the ability to develop a student-friendly class environment conducive to learning;
- requiring EPPs to submit for MSDE approval the metrics indicating mastery of InTASC competencies through standards-based, rubric-assessed performance; and
- adding a new standard in the State approval process that assures EPPs have sufficient resources and qualified staff to deliver the approved program.

Overall, adoption of the standards will address some of the opportunities NCTQ identified in its report where Maryland could make improvements to its policies to strengthen its EPPs.

Recommendations

1. Adopt the following narrative:

Institutional Aid, Pell Grants, and Loan Data by Expected Family Contribution Category: In order to more fully understand all types of aid available to students, the committees request that data be submitted for each community college, public four-year institution, and independent institution on institutional aid, Pell grants, and student loans. Data should include, by expected family contribution (EFC), the number of loans and average loan size of federal subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission (MHEC). Additionally, data should be provided on Pell grants, including the number and average award size by EFC. Finally, data should include the number of institutional aid awards and average award size by EFC for institutional grants, institutional athletic scholarships, and other institutional scholarships. The data in the response should differentiate between need-based aid and merit scholarships. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents and students. Waiver information for students should be reported by each type of waiver in State law. This report should cover fiscal 2018 data received by MHEC from State institutions and is to be submitted in an electronic format (Excel file).

Information Request	Author	Due Date
Report on fiscal 2018 financial aid categories by EFC	MHEC	June 30, 2019

2. Adopt the following narrative:

Instructional Faculty Workload Report: The committees request that the University System of Maryland (USM), Morgan State University (MSU), and St. Mary's College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured/tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty. However, there are other types of instructional faculty at institutions such as full- and part-time nontenured/nontenure-track faculty including adjunct faculty, instructors, and lecturers. Focusing on only tenured/tenure-track faculty provides an incomplete picture of how students are taught. Therefore, the report should also include the instructional workload when all types of faculty are considered. Additional information may be included at the institution's discretion. Furthermore, the USM report should include the percent of faculty meeting or exceeding teaching standards for tenured/tenure-track faculty for the University of Maryland, Baltimore Campus.

Higher Education – Fiscal 2019 Budget Overview

Information Request	Authors	Due Date
Annual report on faculty workload	USM MSU SMCM	December 15, 2018

Appendix 1
Trends in Education and General Revenues¹
Public Four-year Institutions
Fiscal 2014-2019
(\$ in Thousands)

<u>Institution</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Working 2018</u>	<u>Adjusted Allowance 2019</u>	<u>Annual % 2014-19</u>	<u>% Change 2018-19</u>
Univ. of Maryland, Baltimore Campus	\$477,302	\$508,927	\$535,444	\$544,185	\$572,478	\$578,231	4.9%	1.0%
Univ. of Maryland, College Park								
Campus	1,079,408	1,144,997	1,192,583	1,261,512	1,303,811	1,382,605	6.4%	6.0%
Bowie State University	71,786	77,579	78,166	82,691	85,198	87,171	5.0%	2.3%
Towson University	277,370	287,843	301,622	313,724	321,966	326,153	4.1%	1.3%
Univ. of Maryland Eastern Shore	69,029	73,094	74,765	76,775	74,045	72,670	1.3%	-1.9%
Frostburg State University	70,044	73,893	76,230	80,450	81,820	81,489	3.9%	-0.4%
Coppin State University	53,611	55,683	58,210	60,543	63,575	64,132	4.6%	0.9%
University of Baltimore	98,445	101,581	104,082	104,479	107,119	106,783	2.1%	-0.3%
Salisbury University	108,617	115,980	122,471	129,616	134,704	137,940	6.2%	2.4%
Univ. of Maryland Univ. College	333,189	349,189	355,908	365,391	398,708	402,191	4.8%	0.9%
Univ. of Maryland Baltimore County	235,291	244,803	252,148	261,725	275,351	287,737	5.2%	4.5%
Univ. of Maryland Center for								
Environmental Science	26,625	27,202	29,563	30,611	29,865	29,815	2.9%	-0.2%
Morgan State University	133,616	139,075	146,904	162,546	162,535	172,119	6.5%	5.9%
St. Mary's College of Maryland	42,437	42,381	43,929	45,342	49,092	47,224	2.7%	-3.8%
Total	\$3,076,771	\$3,242,227	\$3,372,027	\$3,519,588	\$3,660,268	\$3,776,260	5.3%	3.2%

¹ Education and General (E&G) revenues represent tuition and fees, State funds (general and Higher Education Investment Fund funds), grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary program enterprise revenue. For the University of Maryland, Baltimore Campus, hospital revenues are general revenues. For the University of Maryland, College Park Campus and the University of Maryland Eastern Shore, agriculture experimental station and cooperative extension programs are excluded. St. Mary's College of Maryland E&G revenues decline in fiscal 2019 due to other sources declining \$2.8 million and using \$3.8 million in fund balance in fiscal 2018.

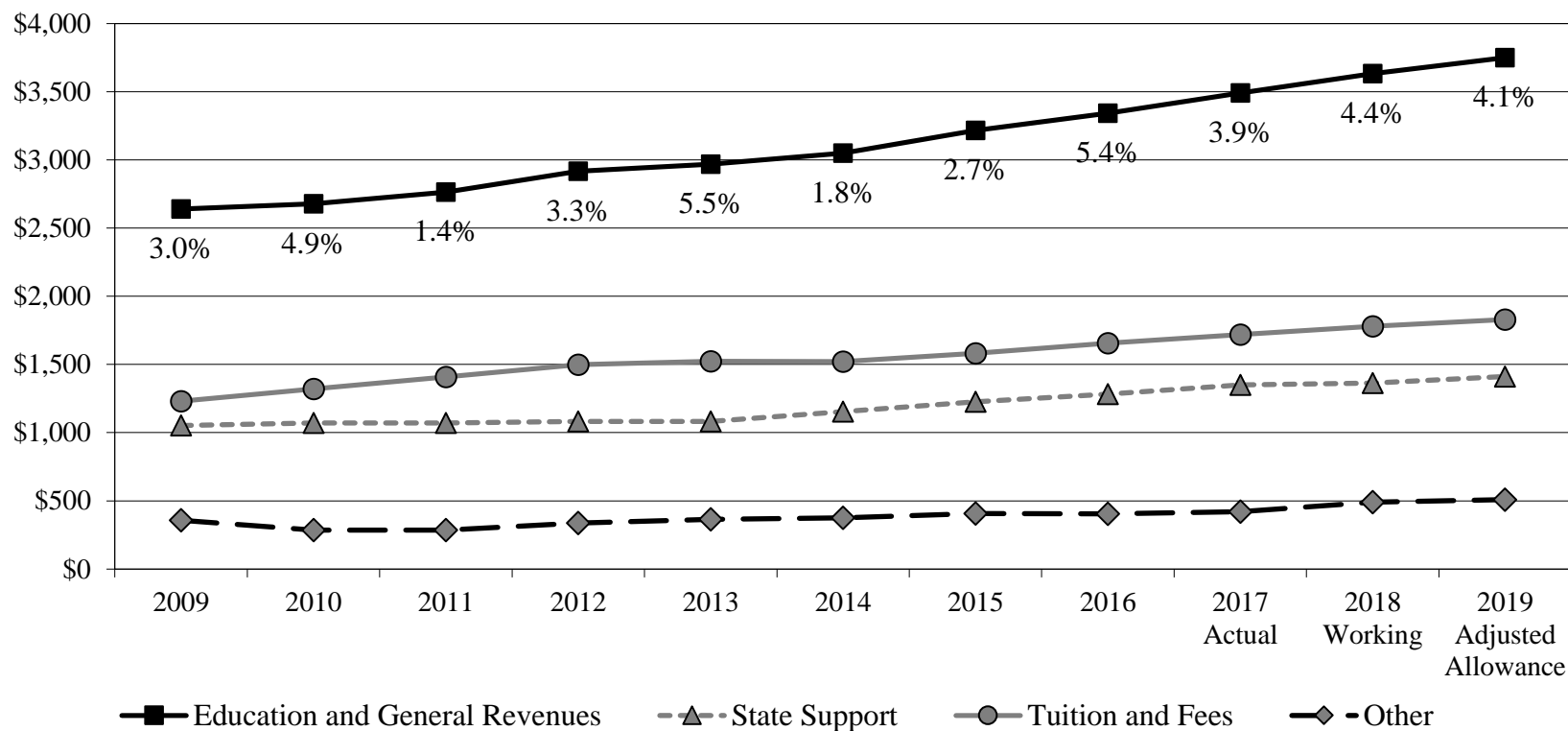
Note: Working fiscal 2018 adjusted to reflect across-the-board reductions. Adjusted fiscal 2019 is adjusted to reflect contingent reductions and general salary increases. Numbers may not sum to total due to rounding.

Source: Maryland State Budget, Fiscal 2014-2019

Appendix 2

Education and General Revenues at Four-year Institutions¹

Fiscal 2009-2019
(\$ in Millions)



¹ Education and General revenues represent tuition and fees, State support (general funds and Higher Education Investment Funds), grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary enterprise revenue. Figures exclude funding for agriculture experimental station and cooperative extension programs and the Maryland Fire and Rescue Institute. For the University of Maryland, Baltimore Campus, hospital expenditures are excluded.

Note: Working fiscal 2018 adjusted to reflect across-the-board reductions. Adjusted fiscal 2019 is adjusted to reflect contingent reductions and general salary increases. Numbers may not sum to total due to rounding.

Source: Governor's Budget Books, Fiscal 2009-2017; Department of Budget and Management

Appendix 3
Education and General Revenues¹
Per Full-time Equivalent Student
Public Four-year Institutions
Fiscal 2014-2019

<u>Institution</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Working 2018</u>	<u>Adjusted 2019</u>	<u>Annual % Change 2014-19</u>	<u>% Change 2018-19</u>
Univ. of Maryland, Baltimore Campus	\$74,161	\$79,932	\$83,415	\$81,137	\$84,399	\$84,561	3.3%	0.2%
Univ. of Maryland, College Park Campus	34,428	35,984	37,106	38,103	39,036	41,520	4.8%	6.0%
Bowie State University	16,179	16,832	17,891	17,654	18,070	17,881	2.5%	-1.1%
Towson University	14,815	15,576	16,237	16,896	17,253	17,391	4.1%	0.8%
Univ. of Maryland Eastern Shore	17,392	17,964	18,024	21,028	22,296	21,882	5.9%	-1.9%
Frostburg State University	15,217	16,036	16,323	17,550	18,775	18,699	5.3%	-0.4%
Coppin State University	20,185	22,372	24,356	25,599	26,478	26,187	6.7%	-1.1%
University of Baltimore	22,182	23,509	24,764	26,251	25,590	27,621	5.6%	7.4%
Salisbury University	13,786	14,765	15,691	16,368	16,993	17,382	6.0%	2.2%
Univ. of Maryland Univ. College	13,843	12,716	10,837	10,731	11,594	11,579	-4.4%	-0.1%
Univ. of Maryland Baltimore County	20,958	21,534	22,371	23,596	24,662	25,771	5.3%	4.3%
Morgan State University	20,509	21,088	22,114	24,282	23,576	24,966	5.0%	5.6%
St. Mary's College of Maryland	23,420	23,611	24,324	26,703	29,971	29,515	6.0%	-1.5%
Average (Weighted)	\$23,808	\$24,387	\$24,347	\$25,083	\$25,961	\$26,743	2.9%	3.0%

¹ Education and General (E&G) revenues represent tuition and fees, general funds, grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary program enterprise revenue. For the University of Maryland, Baltimore, hospital expenditures are excluded from E&G revenue. Agricultural and cooperative extension programs are also excluded.

Note: Working fiscal 2018 adjusted to reflect across-the-board reductions. Adjusted fiscal 2019 is adjusted to reflect contingent reductions and general salary increases. Numbers may not sum to total due to rounding

Source: Department of Budget and Management; Department of Legislative Services

Appendix 4
Fiscal 2019 Revenues Per Full-time Equivalent Student
By Revenue Source¹
Public Four-year Institutions

<u>Institution</u>	<u>E&G Revenues</u>	<u>State Funds</u>	<u>Tuition and Fees</u>	<u>FTES</u>	<u>E&G Revenues Per FTES</u>	<u>State Funds Per FTES</u>	<u>Tuition and Fees Per FTES</u>	<u>ST as % of E&G</u>	<u>T&F as % of E&G</u>
Univ. of Maryland, Baltimore Campus	\$578,231,206	\$236,388,043	\$147,489,771	6,838	\$84,561	\$34,570	\$21,569	41%	26%
Univ. of Maryland, College Park Campus	1,382,605,263	488,518,989	\$638,576,495	33,300	41,520	14,670	19,176	35%	46%
Bowie State University	87,170,744	46,021,381	\$40,930,103	4,875	17,881	9,440	8,396	53%	47%
Towson University	326,153,071	120,511,305	\$196,585,591	18,754	17,391	6,426	10,482	37%	60%
Univ. of Maryland Eastern Shore	72,669,926	41,714,957	\$28,376,508	3,321	21,882	12,561	8,545	57%	39%
Frostburg State University	81,488,856	42,436,193	\$38,230,006	4,358	18,699	9,738	8,772	52%	47%
Coppin State University	64,132,009	47,324,013	\$17,904,869	2,449	26,187	19,324	7,311	74%	28%
University of Baltimore	106,783,440	37,956,953	\$67,765,919	3,866	27,621	9,818	17,529	36%	63%
Salisbury University	137,939,947	55,207,113	\$82,889,858	7,936	17,382	6,957	10,445	40%	60%
Univ. of Maryland Univ. College	402,190,664	43,428,010	\$344,422,106	34,734	11,579	1,250	9,916	11%	86%
Univ. of Maryland Baltimore County	287,737,227	127,544,678	\$133,589,390	11,165	25,771	11,424	11,965	44%	46%
Morgan State University	172,118,549	97,463,497	\$68,514,091	6,894	24,966	14,137	9,938	57%	40%
St. Mary's College of Maryland ²	47,224,449	26,145,317	\$23,338,528	1,600	29,515	16,341	14,587	55%	49%
Total Higher Ed	\$3,746,445,351	\$1,410,660,449	\$1,828,613,235	140,090	\$26,743	\$10,070	\$13,053	38%	49%

E&G: Education and General
FTES: full-time equivalent student

ST: State
T&F: tuition and fees

¹ E&G revenues represent tuition and fees, general funds, grants and contracts (federal, State, and local), and sales and services of educational activities less auxiliary program enterprise revenue. For the University of Maryland, Baltimore Campus, hospital expenditures are excluded from E&G revenue. Agricultural and cooperative extension programs are also excluded.

² Percentages exceed 100% reflecting a decline in E&G revenues due to the use of \$3.5 million of fund balance in fiscal 2018 and other sources of revenues declining \$2.8 million in fiscal 2019.

Note: Fiscal 2019 reflect contingent and across-the-board reductions.

Source: Maryland State Budget, Fiscal 2019

Higher Education – Fiscal 2019 Budget Overview

Appendix 5
Higher Education Enrollment Trends
Full-time Equivalent Student
Public Four-year Institutions

<u>Institution</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Working 2018</u>	<u>Allowance 2019</u>	<u>Annual % 2014-18</u>	<u>% Change 2018-19</u>
Univ. of Maryland, Baltimore Campus	6,436	6,367	6,419	6,707	6,783	6,838	1.3%	0.8%
Univ. of Maryland, College Park Campus	31,353	31,820	32,140	33,108	33,400	33,300	1.6%	-0.3%
Bowie State University	4,437	4,609	4,369	4,684	4,715	4,875	1.5%	3.4%
Towson University	18,722	18,480	18,576	18,568	18,661	18,754	-0.1%	0.5%
Univ. of Maryland Eastern Shore	3,969	4,069	4,148	3,651	3,321	3,321	-4.4%	0.0%
Frostburg State University	4,603	4,608	4,670	4,584	4,358	4,358	-1.4%	0.0%
Coppin State University	2,656	2,489	2,390	2,365	2,401	2,449	-2.5%	2.0%
University of Baltimore	4,438	4,321	4,203	3,980	4,186	3,866	-1.5%	-7.6%
Salisbury University	7,879	7,855	7,805	7,919	7,927	7,936	0.2%	0.1%
Univ. of Maryland Univ. College	24,070	27,460	32,843	34,050	34,390	34,734	9.3%	1.0%
Univ. of Maryland Baltimore County	11,227	11,368	11,271	11,092	11,165	11,165	-0.1%	0.0%
Morgan State University	6,515	6,595	6,643	6,694	6,894	6,894	1.4%	0.0%
St. Mary's College of Maryland	1,812	1,795	1,806	1,698	1,638	1,600	-2.5%	-2.3%
Total	128,117	131,836	137,283	139,100	139,839	140,090	2.2%	0.2%

Higher Education – Fiscal 2019 Budget Overview

Source: Governor's Budget Books, Fiscal 2013-2019; Department of Budget and Management

Appendix 6
Tuition and Fee Rates at Public Four-year Institutions
Fiscal 2018 and 2019

	Fiscal 2018			Fiscal 2019			%	%
	<u>Tuition</u>	<u>Fee</u>	<u>Total</u>	<u>Tuition</u>	<u>Fee</u>	<u>Total</u>	<u>Change</u>	<u>Change</u>
In-State Full-time Undergraduate								
Univ. of Maryland, College Park Campus	\$8,481	\$1,935	\$10,416	\$8,651	\$1,944	\$10,595	2.0%	1.7%
Bowie State University	5,427	2,637	8,064	5,536	2,698	8,234	2.0%	2.1%
Towson University	6,692	3,002	9,694	6,826	3,114	9,940	2.0%	2.5%
Univ. of Maryland Eastern Shore	5,208	2,834	8,042	5,312	2,891	8,203	2.0%	2.0%
Frostburg State University	6,468	2,446	8,914	6,600	2,530	9,130	2.0%	2.4%
Coppin State University	4,468	2,068	6,536	4,557	2,068	6,625	2.0%	1.4%
University of Baltimore	6,742	2,082	8,824	6,876	2,214	9,090	2.0%	3.0%
Salisbury University	6,982	2,600	9,582	7,122	2,702	9,824	2.0%	2.5%
Univ. of Maryland Univ. College ¹	8,670	450	9,120	8,820	450	9,270	1.7%	1.6%
Univ. of Maryland Baltimore County	8,368	3,150	11,518	8,534	3,260	11,794	2.0%	2.4%
Morgan State University	5,264	2,502	7,766	5,369	2,523	7,892	2.0%	1.6%
St. Mary's College of Maryland	11,646	2,850	14,496	11,879	2,936	14,815	2.0%	2.2%
Out-of-state Full-time Undergraduate								
Univ. of Maryland, College Park Campus	\$31,688	\$1,935	\$33,623	\$33,272	\$1,944	\$35,216	5.0%	4.7%
Bowie State University	16,016	2,637	18,653	16,176	2,698	18,874	1.0%	1.2%
Towson University ²	19,138	3,002	22,140	20,094	1,557	21,651	5.0%	-2.2%
Univ. of Maryland Eastern Shore ³	15,214	2,824	18,038	15,518	2,891	18,409	2.0%	2.1%
Frostburg State University ⁴	19,816	2,446	22,262	20,810	2,530	23,340	5.0%	4.8%
Coppin State University	10,616	2,068	12,684	10,828	2,068	12,896	2.0%	1.7%
University of Baltimore	18,622	2,082	20,704	18,994	2,214	21,208	2.0%	2.4%
Salisbury University ²	16,022	2,600	18,622	16,824	2,702	19,526	5.0%	4.9%
Univ. of Maryland Univ. College ^{1,2}	14,970	450	15,420	14,970	450	15,420	0.0%	0.0%
Univ. of Maryland Baltimore County	22,504	3,150	25,654	23,628	3,260	26,888	5.0%	4.8%
Morgan State University	15,330	2,502	17,832	15,636	2,523	18,159	2.0%	1.8%
St. Mary's College of Maryland	27,098	2,850	29,948	28,182	2,936	31,118	4.0%	3.9%

¹Based on 30 credit hours.

²Towson University, Salisbury University, and the University of Maryland University College have separate, lower out-of-state rates for students enrolled at the University System of Maryland at Hagerstown.

³The University of Maryland Eastern Shore has a separate, lower regional rate for non-Maryland students residing in Delaware and the eastern shore of Virginia.

⁴Frostburg State University has a separate, lower out-of-state rate for non-Maryland students residing within 120 miles of campus.

Note: All rates are pending approval by the institution or system's governing boards.

Source: Morgan State University; St. Mary's College of Maryland; University System of Maryland

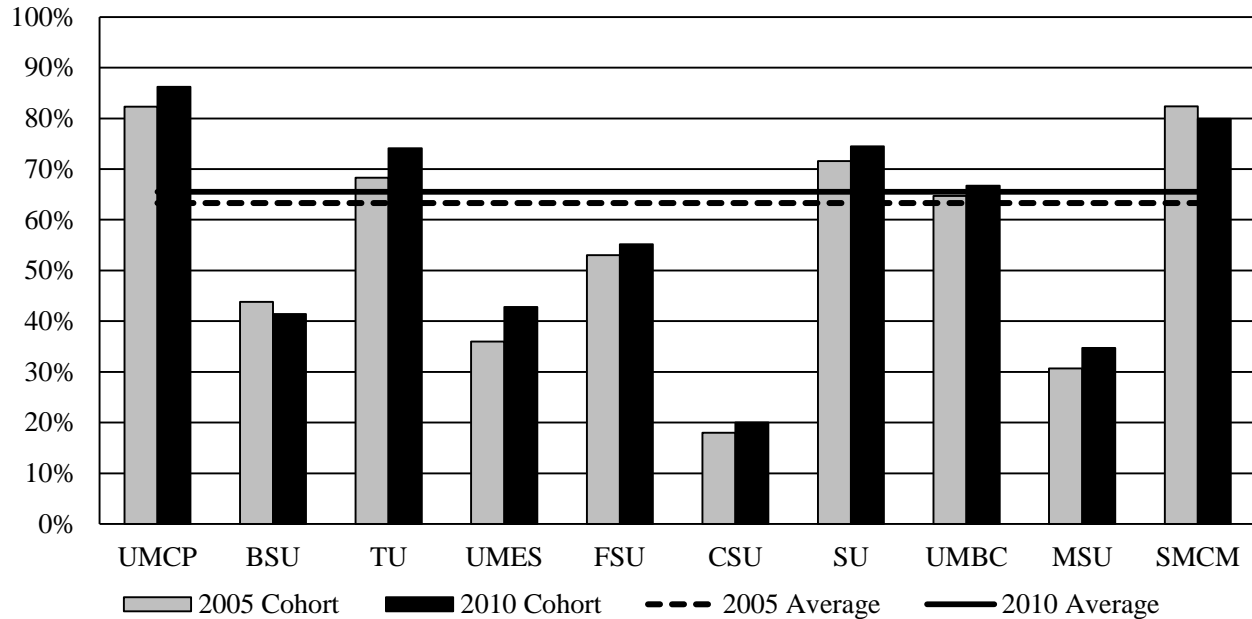
Appendix 7
Tuition and Fee Rates at Public Two-year Institutions
Fall 2017

<u>Community College</u>	Resident of Service Area			Outside Service Area			Out-of-state Resident		
	<u>Tuition</u>	<u>Fees</u>	<u>Total</u>	<u>Tuition</u>	<u>Fees</u>	<u>Total</u>	<u>Tuition</u>	<u>Fees</u>	<u>Total</u>
Allegany College of Maryland	\$3,570	\$370	\$3,940	6,870	\$370	\$7,240	\$8,250	\$370	\$8,620
Anne Arundel Community College	3,300	800	4,100	6,360	800	7,160	11,220	800	12,020
Baltimore City Community College	2,640	556	3,196	2,640	556	3,196	6,720	556	7,276
Community College of Baltimore County	3,600	1,006	4,606	6,780	1,306	8,086	10,290	1,606	11,896
Carroll Community College	4,020	864	4,884	5,850	1,230	7,080	8,190	1,698	9,888
Cecil College	3,270	390	3,660	6,090	390	6,480	7,530	390	7,920
Chesapeake College	3,660	1,100	4,760	5,700	1,130	6,830	8,010	1,130	9,140
College of Southern Maryland	3,750	863	4,613	6,510	1,497	8,007	8,400	1,932	10,332
Frederick Community College	3,600	785	4,385	7,860	785	8,645	10,650	785	11,435
Garrett College	3,150	1,080	4,230	6,900	1,080	7,980	8,100	1,080	9,180
Hagerstown Community College	3,570	420	3,990	5,490	420	5,910	7,380	420	7,800
Harford Community College	3,794	759	4,553	6,457	759	7,216	9,119	759	9,878
Howard Community College	4,080	768	4,848	6,570	768	7,338	7,920	768	8,688
Montgomery College	3,720	1,254	4,974	7,590	2,028	9,618	10,500	2,610	13,110
Prince George's Community College	3,210	1,490	4,700	6,060	1,490	7,550	9,120	1,490	10,610
Wor-Wic Community College	3,240	510	3,750	7,230	510	7,740	8,910	510	9,420
Average	\$3,511	\$813	\$4,324	\$6,310	\$945	\$7,255	\$8,769	\$1,056	\$9,826

Note: This assumes a student enrolls in 30 credits per academic year.

Source: Maryland Association of Community Colleges

Appendix 8
Six-year Graduation Rate for First-time, Full-time Students
2005 and 2010 Cohort



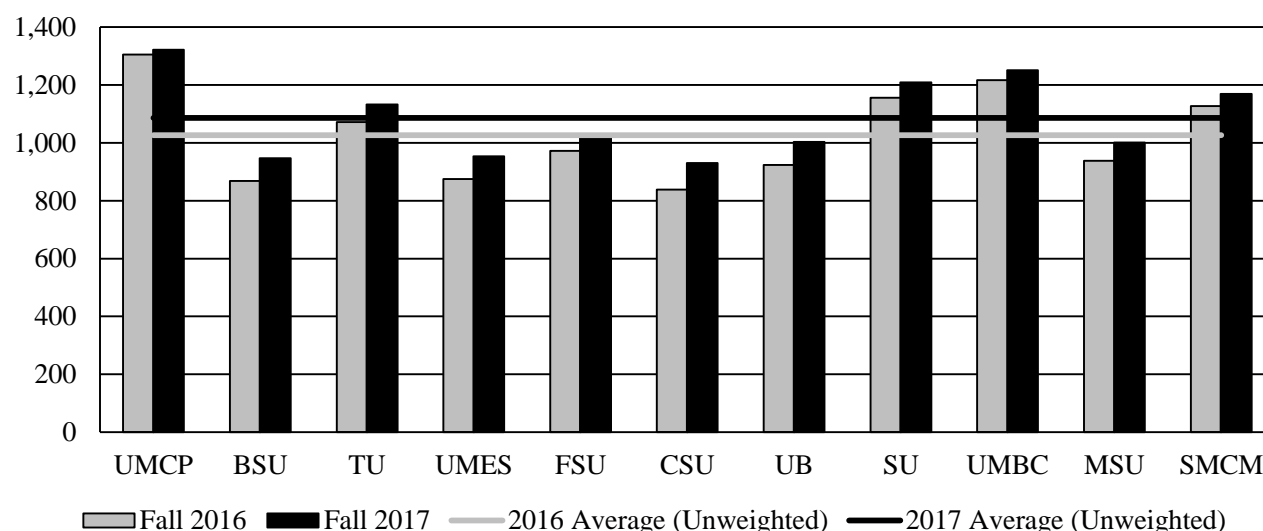
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Univ. of Maryland, College Park Campus (UMCP)	82.3%	81.9%	84.4%	84.6%	86.3%	86.2%
Bowie State University (BSU)	43.8%	37.1%	38.7%	39.5%	44.2%	41.4%
Towson University (TU)	68.3%	69.9%	68.0%	70.6%	74.1%	74.1%
University of Maryland Eastern Shore (UMES)	36.0%	37.0%	38.6%	43.1%	37.9%	42.8%
Frostburg State University (FSU)	53.0%	52.4%	56.1%	55.6%	61.4%	55.2%
Coppin State University (CSU)	18.0%	19.7%	16.0%	18.0%	18.9%	20.0%
Salisbury University (SU)	71.6%	73.1%	73.2%	72.9%	75.1%	74.5%
University of Maryland Baltimore County (UMBC)	64.7%	67.8%	68.8%	66.9%	66.7%	66.7%
Morgan State University (MSU)	30.7%	30.7%	34.9%	33.7%	33.6%	34.7%
St. Mary's College of Maryland (SMCM)	82.4%	79.4%	83.2%	86.8%	83.2%	79.9%
All Students Average	63.3%	61.6%	63.8%	63.7%	66.1%	65.5%

Note: The data includes first-time, full-time students enrolled at an institution at the start of the academic year. Institution rates include those who graduated from the institution or those that transferred and graduated from any Maryland public four-year institution.

Source: Maryland Higher Education Commission

Appendix 9

Scholastic Aptitude Test Scores of First-year Students

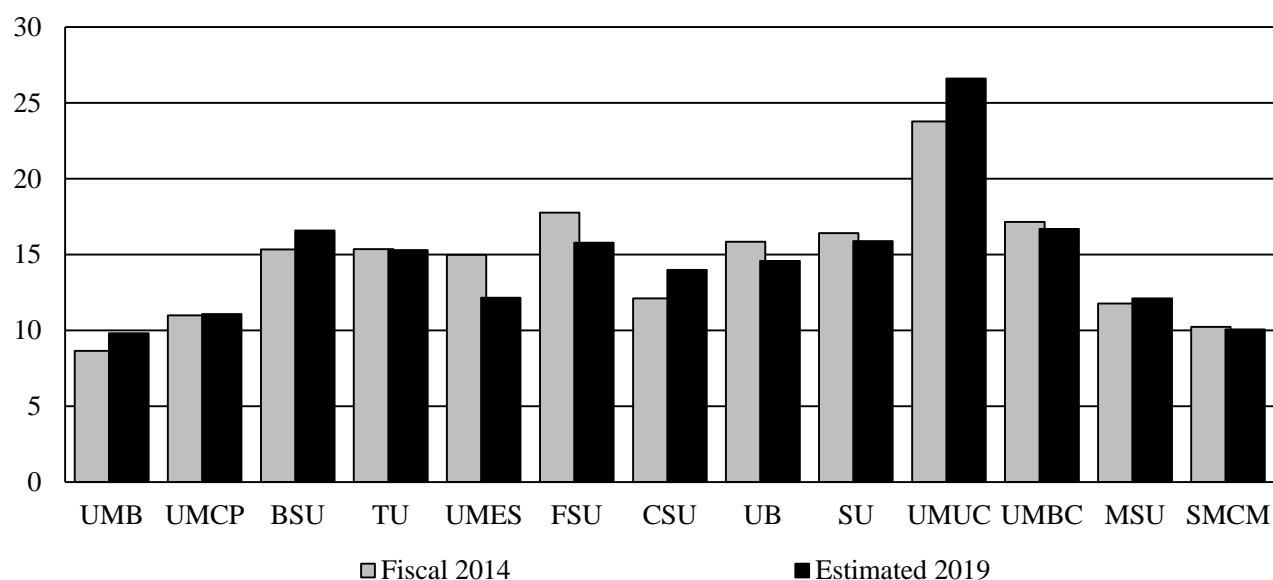


	<u>Fall 2012</u>	<u>Fall 2013</u>	<u>Fall 2014</u>	<u>Fall 2015</u>	<u>Fall 2016</u>	<u>Fall 2017</u>
Univ. of Maryland, College Park (UMCP)	1,289	1,299	1,304	1,306	1,305	1,322
Bowie State University (BSU)	899	890	881	873	868	947
Towson Univ. (TU)	1,087	1,088	1,084	1,087	1,072	1,133
Univ. of Maryland Eastern Shore (UMES)	880	881	861	844	875	954
Frostburg State Univ. (FSU)	985	980	985	969	972	1,025
Coppin State Univ. (CSU)	882	877	890	895	839	930
Univ. of Baltimore (UB)	953	944	925	974	924	1,003
Salisbury Univ. (SU)	1,155	1,160	1,156	1,160	1,156	1,209
Univ. of Maryland Baltimore County (UMBC)	1,223	1,218	1,214	1,210	1,217	1,251
Morgan State Univ. (MSU)	895	905	889	890	938	1,001
St. Mary's College of Maryland (SMCM)	1,209	1,187	1,173	1,149	1,127	1,169
Average (Unweighted)	1,042	1,039	1,033	1,032	1,027	1,086

Note: The College Board implemented a redesigned SAT in 2016 that was taken by a majority of the entering students, which the Maryland Higher Education Commission (MHEC) attributes to the increase in the average scores in fall 2017. According to MHEC, the College Board states that due to the test redesign that include new questions and format, different College Board data systems, and changes in test takers time, a comparison cannot be made between the 2017 and prior year scores. Prior to 2017 data reflects verbal (maximum 800) and math (maximum 800). Beginning in 2017, data reflects evidence-based reading and writing (maximum 800) and math (maximum 800) scores only.

Source: Maryland Higher Education Commission

Appendix 10 Student-to-faculty Ratio



	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Estimated 2019</u>
University of Maryland, Baltimore Campus (UMB)	8.7	9.6	9.4	10.2	9.8	9.8
University of Maryland, College Park Campus (UMCP)	11.0	10.8	10.9	11.2	11.1	11.1
Bowie State University (BSU)	15.4	15.9	14.6	15.5	16.3	16.6
Towson University (TU)	15.4	15.4	14.9	14.9	15.2	15.3
Univ. of Maryland Eastern Shore (UMES)	15.0	15.3	15.3	13.8	12.2	12.2
Frostburg State University (FSU)	17.8	17.4	17.8	16.6	15.8	15.8
Coppin State University (CSU)	12.1	13.5	14.3	14.2	13.7	14.0
University of Baltimore (UB)	15.9	15.3	14.9	14.0	15.9	14.6
Salisbury Univ. (SU)	16.4	16.2	16.2	16.7	15.9	15.9
University of Maryland University College (UMUC)	23.8	28.0	26.5	26.6	26.6	26.6
University of Maryland Baltimore County (UMBC)	17.2	17.0	17.7	17.1	16.7	16.7
Morgan State University (MSU)	11.8	12.4	11.5	11.8	11.9	12.1
St. Mary's College of Maryland (SMCM)	10.2	11.0	12.1	10.7	10.3	10.1

Note: Full-time equivalent.

Source: Department of Budget and Management